

Borrowing the Car? Book Early

Zipcar, Flexcar Can Be Cool—But There Are Catches

MANY PEOPLE who don't commute by car probably don't need to own one.

Now, two companies, Flexcar and Zipcar, are blanketing major cities with cars that can be shared. You sign up, pay a small membership fee, then reserve cars online by the hour or the day. These cars sit in designated spots around town. To use the car you've booked, you place a membership card on the windshield, where an electronic reader verifies your reservation, unlocking the doors; the key is in the ignition. Costs range from \$2 an hour and 44 cents a mile (plus a small monthly fee) for a hybrid in San Francisco, to \$140 a day with 125 free miles for a Volvo in New York. Gas is included.

Hundreds of cars also await users in Boston, Washington, D.C., Seattle, Los Angeles, San Diego, Chicago and Portland, Ore. More cities are on the way as the companies expand.

The concept is utopian—use of a car, without ownership hassles. Owning even a cheap car costs hundreds of dollars a month. But there are two big pitfalls for prospective users.

First, most people want the car on the weekend. Some locations may require booking weeks in advance. This leads, inevitably, to gaming of the system: People book months ahead for an entire weekend, blocking access for everyone else, if they think they might need a car. If not, cancellation rules are flexible, and they can back out a day or two ahead of time with no penalty. This behavior is decidedly uncool, but it sure is effective.

Both companies say such manipulation is infrequent, and they add cars when demand warrants. But to thwart such antics, Zipcar has limited members to five 24-hour-plus reservations

and restricted cancellation policies. It will also soon designate cars for hourly rentals only.

Then there's insurance: Zipcar and Flexcar provide adequate collision coverage. But Zipcar provides liability coverage only at state-mandated minimum levels, reassuring customers on its Web site that the coverage is "comprehensive."

In fact, the caps on liability coverage are well under \$100,000, and vary by state. If you harm someone and get sued, the judgment could be far higher. Zipcar says that its insurance levels help keep overall prices lower and that members haven't asked for more insurance. Perhaps that's because they believe Zipcar's assertion that it's "comprehensive."

Meanwhile, Flexcar's liability coverage has a \$300,000 cap. Another outfit, San Francisco's nonprofit City CarShare service, says it offers \$6 million in coverage.

If all you need is an econobox, Hertz and Enterprise will do fine and might be cheaper than car-sharing.

They'll also offer more insurance choices. Rentals often make more sense if you need a car for a few days or longer.

But car-sharing is an excellent option for someone lucky enough to have one of the cars within walking distance, and who needs a car for just a few hours, uses one mostly on weekdays and likes the coolest vehicles. On the weekend, however, you'll need to plan your grocery runs—and weekend getaways—well in advance. And spontaneous souls may suffer for a lack of available automobiles.



Who Should Share

Car-sharing companies like Zipcar and Flexcar lend vehicles for an hour or more. Who should sign up?

- **SHARE:** If you need cars for a few hours at a time and like the cool autos on offer
- **SKIP:** If you need the vehicle on weekends and are unable to plan well in advance